

2006

WESTERN GYPSY LLC
2555 E. CAMELBACK RD. STE 800
PHOENIX, AZ 85016

U.S. Bank® Check Print
Protected by Reserve
91-524-1221

ORIGINAL CHECK
ROUTED TO ACCOUNTING

DATE 4/30/2012

PAY TO THE
ORDER OF

State of Utah

\$ 500.00

Five Hundred and 00/100

DOLLARS

Security Features
Indicated
Details on Back



HARRIS
PRIVATE BANK

BMO Harris Bank N.A.

FOR

permit fees

Quinn K. Elwell

MP

RECEIVED

MAY 08 2012

DIV. OF OIL, GAS & MINING

5164510084

**Western Gypsite, LLC
2555 East Camelback Road
Suite 800
Phoenix, Arizona 85016**

May 1, 2012

Our File No.: 845.00022

VIA REGULAR MAIL AND
E-MAIL lhopper@utah.gov

Leslie Heppler
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Intention to Commence Small Mining Operations
Western Gypsite LLC

Dear Ms. Heppler:

Enclosed are the following:

1. Notice Of Intention To Commence Small Mining Operations on behalf of Western Gypsite, LLC, for a 6.2 acre site.
2. Gypsite Pilot Mine Figure 1 Mining Plan prepared by North American Exploration.
3. Letter Report: Class I Archeological Evaluation of 6.2 acres for Mineral Exploration from P-III Associates, Inc. with attached map, pertaining to the subject 6.2 acres.
4. Our check made payable to the State of Utah in the amount of \$500 for the permit fee.

Reclamation Surety

We understand that a Reclamation Surety will be required for this small mine. We request that you provide us with the dollar amount for a three (3) year period for this project. It is my understanding that the first acre Reclamation sum is \$7500, and that each acre thereafter is \$4500. Based upon this, I believe the total owing will be:

First Acre:	\$ 7,500
Additional 6.0Acres:	
(6.0 acres x \$4500)	<u>\$27,000</u>
TOTAL:	\$34,500

RECEIVED

MAY 08 2012

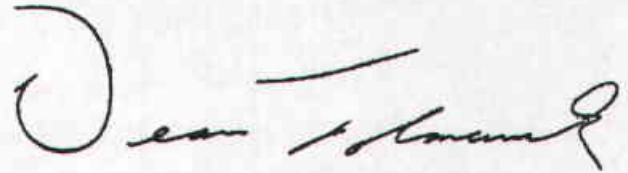
DIV. OF OIL, GAS & MINING

Leslie Heppler
May 1, 2012
Page 2 of 2

If my calculation is incorrect or if you believe a different dollar amount is owing for the three (3) year period, I look forward to receiving that figure. Further, please let me know who that check should be made payable to – we will be paying cash for the Reclamation Surety.

Leslie, it was a pleasure to meet you during my visit a few weeks ago. I appreciate your assistance. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dean Formanek". The signature is fluid and cursive, with a large initial "D" and a long horizontal stroke extending to the right.

Dean Formanek

DJF:ao

Enclosures

cc: Steve Yoder (w/encl.)
Jerome K. Elwell (w/encl.)

**Western Gypsite, LLC
2555 East Camelback Road
Suite 800
Phoenix, Arizona 85016**

May 4, 2012

Our File No.: 845.00022

VIA REGULAR MAIL

Leslie Heppler
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Updated Application – 5.9 Acre Site
Intention to Commence Small Mining Operations
Western Gypsite LLC

Dear Ms. Heppler:

Enclosed are the following:

1. Notice Of Intention To Commence Small Mining Operations on behalf of Western Gypsite, LLC, for a 5.9 acre site.
2. Gypsite Pilot Mine Figure 1 Mining Plan prepared by North American Exploration, dated May 4, 2012.
3. Utah Business Search confirming the name and address of our managers, who are Jerome Elwell, Steve Yoder and the undersigned. We each have authority to bind the Applicant, Western Gypsite LLC. This also verifies that CT Corporation System is our statutory agent.

In my letter to you dated May 1, 2012, I included the following, which should be considered to be part of this Application:

1. Letter Report: Class I Archeological Evaluation of 6.2 acres for Mineral Exploration from P-III Associates, Inc. with attached map, pertaining to the subject site.
2. Our check made payable to the State of Utah in the amount of \$500 for the permit fee.

RECEIVED
MAY 08 2012
DIV. OF OIL, GAS & MINING

Leslie Heppler

May 1, 2012

Page 2 of 2

The enclosed application and maps have been updated with the North orientation and scale adjusts you requested.

Reclamation Surety

We understand that a Reclamation Surety will be required for this small mine, which will cost \$7,500 for the first acre, and that each acre thereafter is \$4,500. Based upon this, I believe the total owing will be:

First Acre:	\$ 7,500
Additional 4.9 Acres:	
(5 acres x \$4,500)	<u>\$22,500</u>
TOTAL:	\$30,000

Leslie, thank you again for helping me with the Application and Maps. Have a great week.

Sincerely,



Dean Formanek

DJF:cmp
Enclosures

cc: Steve Yoder (w/encl.)
Jerome K. Elwell (w/encl.)